

191374



March 14, 2008

2006-286-EG

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Mr. Charles Terreni  
Chief Clerk & Administrator  
The Public Service Commission of South Carolina  
Post Office Drawer 11649  
Columbia, South Carolina 29211

Dear Mr. Terreni:

Attached are copies of the Quarterly Report for South Carolina Electric & Gas Company, Electric Retail Operations and Gas Distribution Operations, for the twelve months ended December, 2007. The certification from the CFO is included. The CEO is out of the office and will sign his Certification upon his returning. It will be forwarded to you as soon as it is signed.

Sincerely,

Kenneth R. Jackson

cw

Attachments

c: John Flitter (ORS)  
Jay Jashinsky (ORS)

**CERTIFICATION**

I, Jimmy E. Addison, state and attest, under penalty of perjury, that the attached Quarterly Reports of Retail Electric Operations and Gas Distribution Operations are filed on behalf of South Carolina Electric & Gas Company as required by the Public Service Commission of South Carolina; That I have reviewed said reports and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

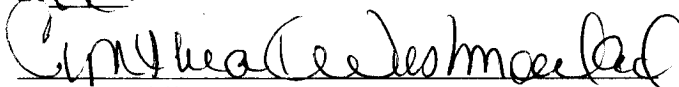
  
\_\_\_\_\_  
Signature of Chief Financial Officer

Jimmy E. Addison  
Typed or Printed Name of Person Signing

Chief Financial Officer  
Title

3-11-08  
Date Signed

Subscribed and Sworn to me on this 11<sup>th</sup> of March,  
2008.

  
\_\_\_\_\_  
Notary Public

My Commission Expires: 9-13-11

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**SOUTH CAROLINA ELECTRIC & GAS COMPANY  
RETAIL ELECTRIC  
OPERATING EXPERIENCE  
TWELVE MONTHS ENDED December 31, 2007**

<u>DESCRIPTION</u>	<u>PER BOOKS ADJ. FOR REGULATORY ORDERS</u> (\$)	<u>ACCOUNTING &amp; PRO FORMA ADJUSTMENTS</u> (\$)	<u>TOTAL AS ADJUSTED</u> (\$)
	COL. A	COL. B	COL. C
<u>OPERATING REVENUES</u>	<u>1,884,173,149</u>	<u>69,358,873</u>	<u>1,953,532,021</u>
<u>OPERATING EXPENSES</u>			
Fuel Costs	638,993,982		638,993,982
Other O&M Expenses	449,241,392	(780,604)	448,460,788
Deprec. & Amort. Expenses	236,854,036	5,447,856	242,301,892
Taxes Other Than Income	122,446,963	8,351,439	130,798,403
Income Taxes	<u>109,643,537</u>	<u>21,166,160</u>	<u>130,809,697</u>
Total Operating Expenses	1,557,179,911	34,184,851	1,591,364,762
Operating Return	326,993,238	35,174,021	362,167,259
Customer Growth	2,792,513	300,385	3,092,898
Int. on Customer Deposits	<u>(521,084)</u>	<u>-</u>	<u>(521,084)</u>
Total Income for Return	<u>329,264,666</u>	<u>35,474,406</u>	<u>364,739,073</u>
<u>ORIGINAL COST RATE BASE</u>			
Gross Plant in Service	6,664,670,543	65,024,049	6,729,694,592
Reserve for Deprec.	<u>2,290,793,323</u>	<u>12,594,663</u>	<u>2,303,387,987</u>
Net Plant	4,373,877,220	52,429,385	4,426,306,606
CWIP	298,117,808	(26,600,199)	271,517,610
Net Deferred/Credits	(111,197,004)	(403,863)	(111,600,867)
Accum. Def. Income Taxes	(563,868,711)		(563,868,711)
Materials & Supplies	264,323,468		264,323,468
Working Capital	<u>41,495,533</u>	<u>(97,575)</u>	<u>41,397,958</u>
Total Original Cost Rate Base	<u>4,302,748,315</u>	<u>25,327,749</u>	<u>4,328,076,064</u>
 RATE OF RETURN	 7.65%		 8.43%
RETURN ON EQUITY	8.86%		10.28%

**SOUTH CAROLINA ELECTRIC & GAS COMPANY  
ANNUALIZED INTEREST EXPENSE**

**TWELVE MONTHS ENDED December 31, 2007**

RATE BASE	\$	4,481,202,470
LONG-TERM DEBT RATIO		<u>43.07%</u>
	\$	1,930,053,904
AVERAGE COST OF DEBT		<u>6.19%</u>
ANNUALIZED INTEREST	\$	119,470,337
TAX BOOK INTEREST	\$	<u>121,676,949</u>
INTEREST ADJUSTMENT	\$	<u>(2,206,612)</u>

ADJUSTMENT TO INCOME TAXES:

STATE INCOME TAX @ 5%	\$	110,331
FEDERAL INCOME TAX @ 35%	\$	<u>733,699</u>
TOTAL INCOME TAX EFFECT	\$	844,029
RETAIL ELECTRIC RATE BASE PERCENTAGE		<u>96.23%</u>
	\$	<u>812,196</u>

**SOUTH CAROLINA ELECTRIC & GAS COMPANY**  
**PLANT IN SERVICE, CONSTRUCTION WORK IN PROGRESS, AND RESERVE FOR DEPRECIATION**

**AT December 31, 2007**

	TOTAL PER BOOKS ADJ. FOR REGULATORY <u>ORDERS</u> \$	<u>RATIOS</u> %	ALLOCATED TO RETAIL \$
<b><u>ELECTRIC PLANT IN SERVICE</u></b>			
Production	\$ 3,587,018,785	94.36%	\$ 3,384,710,925
Transmission	\$ 696,039,970	94.08%	\$ 654,855,285
Distribution	\$ 2,160,458,283	99.98%	\$ 2,160,047,796
General	\$ 167,553,432	96.13%	\$ 161,064,503
Intangible	\$ 68,901,312	96.13%	\$ 66,232,935
Common	<u>\$ 247,337,881</u>	96.13%	<u>\$ 237,759,099</u>
TOTAL	<u>\$ 6,927,309,663</u>		<u>\$ 6,664,670,543</u>
<b><u>CONSTRUCTION WORK IN PROGRESS</u></b>			
Production	\$ 178,282,309	94.36%	\$ 168,227,187
Transmission	\$ 47,297,698	94.08%	\$ 44,499,093
Distribution	\$ 52,332,556	99.98%	\$ 52,322,613
General	\$ 16,026,460	96.13%	\$ 15,405,795
Intangible	\$ 3,652,943	96.13%	\$ 3,511,474
Common	<u>\$ 14,721,785</u>	96.13%	<u>\$ 14,151,647</u>
TOTAL	<u>\$ 312,313,751</u>		<u>\$ 298,117,808</u>
<b><u>RESERVE FOR DEPRECIATION</u></b>			
Production	\$ 1,282,566,869	94.36%	\$ 1,210,230,098
Transmission	\$ 215,539,100	94.09%	\$ 202,802,895
Distribution	\$ 695,879,741	99.98%	\$ 695,747,524
General	\$ 102,859,220	96.13%	\$ 98,875,738
Common	<u>\$ 86,486,476</u>	96.13%	<u>\$ 83,137,070</u>
TOTAL	<u>\$ 2,383,331,406</u>		<u>\$ 2,290,793,323</u>

**SOUTH CAROLINA ELECTRIC & GAS COMPANY  
RETAIL ELECTRIC OPERATIONS**

**AT December 31, 2007**

<b><u>NET DEFERRED DEBITS/CREDITS</u></b>	<b><u>PER BOOKS ADJ. FOR REGULATORY ORDERS</u></b>	<b><u>ACCOUNTING &amp; PRO FORMA ADJUSTMENTS</u></b>	<b><u>TOTAL AS ADJUSTED</u></b>
Environmental	(82,319)	-	(82,319)
FASB 106 Rate Base Reduction	(79,320,705)	(403,863)	(79,724,567)
Major Maintenance Accrual	(1,546,782)	-	(1,546,782)
Storm Reserve	<u>(30,247,198)</u>	<u>-</u>	<u>(30,247,198)</u>
TOTAL	<u>(111,197,004)</u>	<u>(403,863)</u>	<u>(111,600,867)</u>
<b><u>MATERIALS &amp; SUPPLIES</u></b>			
Nuclear Fuel	58,367,833	-	58,367,833
Fossil Fuel	116,815,905	-	116,815,905
Other Materials & Supplies	<u>89,139,730</u>	<u>-</u>	<u>89,139,730</u>
TOTAL	<u>264,323,468</u>	<u>-</u>	<u>264,323,468</u>
<b><u>WORKING CAPITAL, OTHER THAN MATERIALS &amp; SUPPLIES</u></b>			
Working Cash	112,129,314	(97,575)	112,031,739
Prepayments	<u>37,168,760</u>	<u>-</u>	<u>37,168,760</u>
Total Investor Advanced Funds	149,298,075	(97,575)	149,200,499
Less: Customer Deposits	(26,913,294)	-	(26,913,294)
Average Tax Accruals	(70,823,249)	-	(70,823,249)
Nuclear Refueling	(5,525,499)	-	(5,525,499)
Injuries & Damages	<u>(4,540,499)</u>	<u>-</u>	<u>(4,540,499)</u>
TOTAL WORKING CAPITAL	<u>41,495,533</u>	<u>(97,575)</u>	<u>41,397,958</u>

**SOUTH CAROLINA ELECTRIC & GAS COMPANY**  
**ACCOUNTING & PRO FORMA ADJUSTMENTS**  
**TOTAL ELECTRIC**  
**OPERATING EXPERIENCE**  
**TWELVE MONTHS ENDED**  
**December 31, 2007**

ADJ. #	DESCRIPTION	REVENUES	O & M EXPENSES	DEPREC. & AMORT. EXPENSE	TAXES OTHER THAN INCOME	STATE INCOME TAX @ 5%	FEDERAL INCOME TAX @ 35%	PLANT IN SERVICE	ACCUM DEPREC	CWIP	DEF. DEBITS/ CREDITS & PAYABLES	WORKING CASH
1	ANNUALIZE WAGES, BENEFITS, & PAYROLL TAXES											
A)	ANNUALIZE WAGES, BENEFITS, & PAYROLL TAXES		995,533		70,615	(53,307)	(354,494)					124,442
B)	INCENTIVE PAY		(5,304,710)		(358,343)	283,153	1,882,965					(663,089)
2	PENSION & HEALTH CARE RELATED ADJUSTMENTS											
A)	PENSION INCOME		1,764,011			(88,201)	(586,534)					220,501
B)	OTHER POST EMPLOYMENT BENEFITS		680,309			(34,015)	(226,203)				(420,091)	85,039
C)	HEALTH CARE		1,800,920			(90,046)	(598,806)					225,115
3	ELIMINATE EMPLOYEE CLUBS INVESTMENT & EXPENSES		(334,116)	(179,477)		25,680	170,770	(4,830,587)	(1,271,211)	0		(41,765)
4	ADJUST PROPERTY TAXES				6,743,244	(337,162)	(2,242,129)					
5	SALUDA DAM REMEDIATION PROJECT**			1,025,673	2,296,070	(166,087)	(1,104,480)	68,378,233	1,025,673			
6A	PROPERTY RETIREMENTS					-	-	(361,848)	(361,848)			
6B	REMOVE CWIP ASSOCIATED WITH NEW NUCLEAR GENERATION									(22,373,091)		
7	ANNUALIZED DEPRECIATION			13,510,450		(675,523)	(4,492,225)		13,510,450			
8	CWIP					-	-	5,710,197		(5,710,197)		
9	TAX EFFECT OF ANNUALIZED INTEREST					(36,512)	(242,805)					(173,641)
10	REAGENT EXPENSES		(1,389,129)			69,456	461,885					498,218
11	CALPINE SETTLEMENT	(306,479)	3,985,740			(199,287)	(1,325,259)					
12	CANCELLATION / TERMINATION FEES				(1,405)	(15,254)	(101,437)					
13	ANNUALIZE INSURANCE EXPENSE		325,345			(16,267)	(108,177)					
14	VCS EMERGENCY FEEDWATER AND ANCI CARD WRITE OFF		(2,007,962)		(5,076)	100,652	669,335					40,668
15	WETLAND ACCRUAL			(8,539,354)		(17,101)	(113,600)					(250,995)
16	PURCHASED POWER					426,968	2,839,335					
17	CAPACITY PURCHASES		(1,330,099)			66,505	442,258					
18	COLUMBIA CANAL	(619,667)			(2,841)	(30,841)	(205,095)					
19	NCEMC - 100 MW CONTRACT & RELATED ADJUSTMENTS	(7,290,046)			(48,811)	(362,062)	(2,407,711)					
20	FRANCHISE FEES - UNBILLED REVENUE	(1,144,206)			(5,246)	(56,948)	(378,704)					
21	REVENUE ADJUSTMENT FOR RATE INCREASE	78,338,030				3,915,902	26,047,395					
	TOTAL ADJUSTMENTS	68,977,632	(814,158)	5,817,292	8,688,207	2,710,702	18,026,287	68,895,994	12,903,064	(28,083,288)	(420,091)	(101,770)

\*\* Included in anticipation of review in a future rate proceeding.

**SOUTH CAROLINA ELECTRIC & GAS COMPANY**  
**ACCOUNTING & PRO FORMA ADJUSTMENTS**  
**RETAIL ELECTRIC**  
**OPERATING EXPERIENCE**  
**TWELVE MONTHS ENDED**  
**December 31, 2007**

ADJ. #	DESCRIPTION	REVENUES	O & M EXPENSES	DEPREC. & AMORT. EXPENSE	TAXES OTHER THAN INCOME	STATE INCOME TAX @ 5%	FEDERAL INCOME TAX @ 35%	PLANT IN SERVICE	ACCUM. DEPREC.	CWIP	DEF. DEBITS/ CREDITS & PAYABLES	WORKING CASH
1	ANNUALIZE WAGES, BENEFITS, & PAYROLL TAXES		967,076		67,887	(51,246)	(340,800)					119,634
	A) ANNUALIZE WAGES, BENEFITS, & PAYROLL TAXES		(5,099,791)		(344,500)	272,215	1,810,227					(637,474)
	B) INCENTIVE PAY											
2	PENSION & HEALTH CARE RELATED ADJUSTMENTS											
	A) PENSION INCOME		1,895,868			(84,793)	(563,876)					211,983
	B) OTHER POST EMPLOYMENT BENEFITS		654,029			(32,701)	(217,465)				(403,863)	81,754
	C) HEALTH CARE		1,731,351			(86,568)	(575,674)					216,419
3	ELIMINATE EMPLOYEE CLUBS INVESTMENT & EXPENSES		(321,209)	(172,526)		24,687	164,167	(4,643,510)	(1,221,980)	0		(40,151)
4	ADJUST PROPERTY TAXES				6,481,998	(324,100)	(2,155,264)		967,826			
5	SALUDA DAM REMEDIATION PROJECT**			967,826	2,207,149	(158,749)	(1,055,679)	64,521,701				
6A	PROPERTY RETIREMENTS						-	(343,091)	(343,092)			
6B	REMOVE CWIP ASSOCIATED WITH NEW NUCLEAR GENERATION			13,191,910		(659,596)	(4,386,310)		13,191,910	(21,111,249)		
7	ANNUALIZED DEPRECIATION					-	-	5,488,950		(5,488,950)		
8	CWIP											
9	TAX EFFECT OF ANNUALIZED INTEREST					(33,766)	(224,541)					(163,848)
10	REAGENT EXPENSES		(1,310,782)			65,539	435,835					
11	CALPINE SETTLEMENT		3,749,904			(187,495)	(1,246,843)					488,738
12	CANCELLATION / TERMINATION FEES	(306,479)			(1,405)	(15,254)	(101,437)					
13	ANNUALIZE INSURANCE EXPENSE		312,745			(15,637)	(103,988)					39,093
14	VCS EMERGENCY FEEDWATER AND ANCI CARD WRITE-OFF		(1,894,713)		(4,880)	94,980	631,615					(236,839)
15	WETLAND ACCRUAL			(8,539,354)		(16,440)	(109,212)					
16	PURCHASED POWER					426,968	2,839,335					
17	CAPACITY PURCHASES		(1,255,081)			62,754	417,315					(156,885)
18	COLUMBIA CANAL	(619,667)			(2,841)	(30,841)	(205,095)					
19	NCEMC - 100 MW CONTRACT & RELATED ADJUSTMENTS	(6,942,765)			(46,925)	(344,792)	(2,292,867)					
20	FRANCHISE FEES - UNBILLED REVENUE	(1,110,246)			(5,043)	(55,260)	(367,480)					
21	REVENUE ADJUSTMENT FOR RATE INCREASE	78,338,030				3,916,902	26,047,395					
	TOTAL ADJUSTMENTS	69,358,873	(780,604)	5,447,856	8,351,439	2,766,803	18,399,357	65,024,049	12,594,663	(26,600,199)	(403,863)	(97,575)

\*\* Included in anticipation of review in a future rate proceeding.

**SOUTH CAROLINA ELECTRIC & GAS COMPANY**  
**CAPITAL STRUCTURE**  
**AT December 31, 2007**

<u>RETAIL ELECTRIC</u>	<u>CAPITALIZATION</u>	<u>RATIO</u>	<u>EMBEDDED</u>	<u>OVERALL</u>
	\$	%	COST/RATE	COST/RATE
			%	%
LONG-TERM DEBT **	2,071,488,400	43.07	6.19	2.67
PREFERRED STOCK	114,158,800	2.37	6.42	0.15
COMMON EQUITY	<u>2,623,463,867</u>	<u>54.55</u>	<b>10.28</b>	<u>5.61</u>
TOTAL	<u>4,809,111,067</u>	<u>100.00</u>		<u>8.43</u>

\*\* Includes additional \$250,000,000 of Long-Term Debt issued in January 2008.

**SOUTH CAROLINA ELECTRIC AND GAS COMPANY  
EARNINGS PER SHARE**

Earnings per share are calculated based on average shares outstanding of Parent Company, SCANA Corporation and Companies, and represent South Carolina Electric & Gas Company's contribution to the Parent's overall earnings.

**TWELVE MONTHS ENDED December 31, 2007**

NET INCOME AFTER DIV. OF PREF. STOCK	\$237,814,043
EARNINGS PER SHARE	\$2.04
AVG. NUMBER OF SHARES OUTSTANDING	116,669,125

**SOUTH CAROLINA ELECTRIC & GAS COMPANY**  
**RATIO OF EARNINGS TO FIXED CHARGES <sup>1</sup>**  
**TWELVE MONTHS ENDED December 31, 2007**

LINE NO.		<u>\$000's</u>
1	EARNINGS	
2	Net Income	350,941
3	Losses from Equity Investees	19,526
4	Total Fixed Charges, As Below	<u>148,720</u>
5	TOTAL EARNINGS	<u>519,187</u>
6	FIXED CHARGES	
7	Interest on Long-Term Debt	115,633
8	Other Interest	24,440
9	Amort. Of Debt Prem. - Discount & Exp. (Net)	3,386
10	Rental Int. Portion	5,261
11	Distribution on Trust Preferred	<u>-</u>
12	TOTAL FIXED CHARGES	148,720
13	Pre-tax earnings required to pay Preference Security Dividend	<u>11,749</u>
14	<b>Total Fixed Charges and Preference Security Dividend</b>	<u>160,469</u>
15	RATIO OF EARNINGS TO FIXED CHARGES	3.24
16	<sup>1</sup> - SEC COVERAGE	

**SOUTH CAROLINA ELECTRIC & GAS COMPANY**  
**TOTAL GAS DISTRIBUTION - OPERATING EXPERIENCE**  
**12 MONTHS ENDED**  
**December, 2007**

<u>DESCRIPTION</u>	<u>PER BOOKS ADJ. FOR REGULATORY ORDERS</u>	<u>ACCOUNTING &amp; PRO FORMA ADJUSTMENTS</u>	<u>TOTAL AS ADJUSTED</u>
	<u>COL. A</u>	<u>COL. B</u>	<u>COL. C</u>
	\$	\$	\$
<u>OPERATING REVENUES</u>	<u>524,774,173</u>	<u>4,052,963</u>	<u>528,827,136</u>
<u>OPERATING EXPENSES</u>			
Cost of Gas	392,378,091		392,378,091
Other O&M Expenses	58,612,924	(405,355)	58,207,569
Deprec. & Amort. Expenses	19,049,751	2,466,441	21,516,192
Taxes Other Than Income	13,516,640	1,898,552	15,415,192
Income Taxes	11,788,895	65,117	11,854,011
Total Operating Expenses	495,346,301	4,024,754	499,371,055
Operating Return	29,427,873	28,208	29,456,081
Customer Growth	611,379	586	611,965
Int. on Cust. Deposits Net	(139,473)		(139,473)
Total Income For Return	<u>29,899,778</u>	<u>28,794</u>	<u>29,928,572</u>
<u>ORIGINAL COST RATE BASE</u>			
Gross Plant in Service	675,331,287	(144,584)	675,186,703
Reserve for Depre.	275,635,898	2,366,834	278,002,732
Net Plant	399,695,389	(2,511,418)	397,183,971
CWIP	14,168,943	(296,105)	13,872,838
Accum. Def. Income Taxes	(61,221,235)	0	(61,221,235)
Net Deferred Debits / Credits	(8,312,238)	(26,509)	(8,338,747)
Materials & Supplies	48,808,201	0	48,808,201
Working Capital	(6,361,366)	(50,669)	(6,412,036)
Total Original Cost Rate Base	<u>386,777,694</u>	<u>(2,884,701)</u>	<u>383,892,992</u>
RATE OF RETURN	7.73%		7.80%
RETURN ON EQUITY	9.00%		9.12%

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SUPPLEMENTAL SCHEDULE  
TO EXHIBIT A

ADJ #	DESCRIPTION	REVENUE	O&M EXPENSE	DEPREC & AMORT EXPENSE	TAXES OTHER THAN INCOME	STATE INCOME TAX @ 5.0%	FEDERAL INCOME TAX @ 35%	PLANT IN SERVICE	ACCUM DEPRE	CWIP	OPEB'S	WORKING CAPITAL
1	ADJUST LATERAL CUSTOMER REVENUE FOR TARIFF RATES	535,960			2,689	26,664	177,312					-
2	ANNUALIZE WAGES, BENEFITS AND PAYROLL TAXES		204,347		14,495	(10,942)	(72,765)					25,543
3	NORMALIZE INCENTIVE COMPENSATION		(784,918)		(53,145)	41,903	278,656					(98,115)
4	ANNUALIZE PENSION INCOME		189,187			(9,459)	(62,905)					23,648
5	ANNUALIZE OTHER POST- EMPLOYEE BENEFITS		42,930			(2,147)	(14,274)				(26,509)	5,366
6	REMOVE UNCOLLECTIBLE GAS COST EXPENSE		(510,530)			25,527	169,751					(63,816)
7	REMOVE EMPLOYEE CLUBS		(62,603)	(16,373)		3,949	26,260	(440,678)	(115,969)	-		(7,825)
8	RECOGNIZE PROPERTY RETIREMENTS, DEPRECIATION RESERVES					-	-	(11)	(11)			-
9	RECOGNIZE PROPERTY ADDITIONS, PLANT IN SERVICE					-	-	296,105		(296,105)		-
10	ANNUALIZE DEPRECIATION- ADJUST RESERVE			2,482,814		(124,141)	(825,536)		2,482,814			-
11	ANNUALIZE PROPERTY TAXES				1,916,864	(95,843)	(637,357)					-
12	CUSTOMER AWARENESS CAMPAIGN EXPENSES		189,300			(9,465)	(62,942)					23,663
13	FRANCHISE FEE - UNBILLED REVENUE ADJUSTMENT	(510,239)			(2,560)	(25,384)	(168,803)					-
14	ANNUALIZE APPROVED REVENUE INCREASE - 2007	4,027,242			20,209	200,352	1,332,339					-
15	RSA PROCEEDING HEALTH CARE		326,932			(16,347)	(108,705)					40,867
16	TAX EFFECT OF ANNUALIZED INTEREST					3,846	25,574					-
	<b>TOTAL ADJUSTMENTS</b>	<b>4,052,963</b>	<b>(405,355)</b>	<b>2,466,441</b>	<b>1,898,552</b>	<b>8,512</b>	<b>56,605</b>	<b>(144,584)</b>	<b>2,366,834</b>	<b>(296,105)</b>	<b>(26,509)</b>	<b>(50,669)</b>

SUPPLEMENTAL  
SCHEDULE  
TO EXHIBIT A

**SOUTH CAROLINA ELECTRIC AND GAS COMPANY**  
**GAS ANNUALIZED INTEREST EXPENSE**  
**12 MONTHS ENDED**  
**December, 2007**

RATE BASE		\$386,777,694
LONG-TERM DEBT RATIO		<u>0.4307</u>
		\$166,601,581
AVERAGE COST OF DEBT		<u>0.0619</u>
ANNUALIZED INTEREST		\$10,312,638
TAX BOOK INTEREST		\$10,044,600
INTEREST ADJUSTMENT		<u>\$268,038</u>
ADJUSTMENT TO INCOME TAXES:		
STATE INCOME TAX	<u>(\$13,402)</u>	
FEDERAL INCOME TAX	<u>(\$89,123)</u>	
TOTAL INCOME TAX EFFECT		<u>(\$102,524)</u>

**SOUTH CAROLINA ELECTRIC & GAS COMPANY**  
**RATE BASE DETAIL TOTAL GAS OPERATIONS**  
**12 MONTHS ENDED**  
**December, 2007**

	PER BOOKS ADJ. FOR REGULATORY ORDERS	ACCOUNTING & PRO FORMA ADJUSTMENTS	TOTAL AS ADJUSTED
<b><u>NET DEFERRED DEBITS/CREDITS</u></b>	<b><u>\$</u></b>	<b><u>\$</u></b>	<b><u>\$</u></b>
ENVIRONMENTAL	1,181,794	0	1,181,794
PROPANE AIR PLANTS	1,116,184	0	1,116,184
FSB 106 RATE BASE REDUCTION	(10,610,216)	(26,509)	(10,636,725)
<b>TOTAL</b>	<b><u>(8,312,238)</u></b>	<b><u>(26,509)</u></b>	<b><u>(8,338,747)</u></b>
<b><u>MATERIALS &amp; SUPPLIES</u></b>			
NATURAL GAS STORAGE	47,259,295	0	47,259,295
OTHER M&S	1,548,906	0	1,548,906
<b>TOTAL</b>	<b><u>48,808,201</u></b>	<b><u>0</u></b>	<b><u>48,808,201</u></b>
<b><u>WORKING CAPITAL</u></b>			
WORKING CASH	7,326,615	(50,669)	7,275,946
PREPAYMENTS	1,422,806	0	1,422,806
CUSTOMER DEPOSITS	(7,281,423)	0	(7,281,423)
AVERAGE TAX ACCRUALS	(7,340,890)	0	(7,340,890)
INJURIES & DAMAGES	(488,475)	0	(488,475)
<b>TOTAL WORKING CAPITAL</b>	<b><u>(6,361,366)</u></b>	<b><u>(50,669)</u></b>	<b><u>(6,412,036)</u></b>

**SOUTH CAROLINA ELECTRIC & GAS COMPANY  
WEIGHTED COST OF CAPITAL**

	AMOUNT PER BOOKS Dec-07 (COL. 1)	CAPITALIZATION RATIO (COL. 2) %	COST OF DEBT RETURN ON EQUITY (COL. 3) %	WEIGHTED COST OF CAPITAL (COL. 4) %
LONG-TERM DEBT	2,071,488,400	43.07%	6.19%	2.67%
PREFERRED STOCK	114,158,800	2.37%	6.42%	0.15%
COMMON EQUITY	2,623,463,867	54.55%	9.12%	4.98%
TOTAL	<u>4,809,111,067</u>	<u>100.00%</u>		<u>7.80%</u>

**SOUTH CAROLINA ELECTRIC AND GAS COMPANY  
EARNINGS PER SHARE**

Earnings per share are calculated based on average shares outstanding of Parent Company, SCANA Corporation and Companies, and represent South Carolina Electric & Gas Company's contribution to the Parent's overall earnings.

**TWELVE MONTHS ENDED December 31, 2007**

NET INCOME AFTER DIV. OF PREF. STOCK	\$237,814,043
EARNINGS PER SHARE	\$2.04
AVG. NUMBER OF SHARES OUTSTANDING	116,669,125

SOUTH CAROLINA ELECTRIC & GAS COMPANY  
 RATIO OF EARNINGS TO FIXED CHARGES <sup>1</sup>  
 TWELVE MONTHS ENDED December 31, 2007

LINE NO.		<u>\$000's</u>
1	EARNINGS	
2	Net Income	350,941
3	Losses from Equity Investees	19,526
4	Total Fixed Charges, As Below	<u>148,720</u>
5	TOTAL EARNINGS	<u>519,187</u>
6	FIXED CHARGES	
7	Interest on Long-Term Debt	115,633
8	Other Interest	24,440
9	Amort. Of Debt Prem. - Discount & Exp. (Net)	3,386
10	Rental Int. Portion	5,261
11	Distribution on Trust Preferred	<u>-</u>
12	TOTAL FIXED CHARGES	148,720
13	Pre-tax earnings required to pay Preference Security Dividend	<u>11,749</u>
14	<b>Total Fixed Charges and Preference Security Dividend</b>	<u>160,469</u>
15	RATIO OF EARNINGS TO FIXED CHARGES	3.24
16	<sup>1</sup> - SEC COVERAGE	